



DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

Capital Magnet Fund; 2023 Funding Round

Funding Opportunities: Capital Magnet Fund; 2023 Funding Round

Funding Opportunity Title: Notice of Funds Availability (NOFA) inviting Applications for the fiscal year (FY) 2023 Funding Round of the Capital Magnet Fund (CMF) and waiver of the requirement to verify tenant income annually for CMF Recipients who used their CMF Awards to finance or support rental housing Projects with an Affordability Period covering the dates of April 1, 2020 through December 31, 2021.

Announcement Type: Announcement of funding opportunity.

Funding Opportunity Number: CDFI-2023-CMF.

Catalog of Federal Domestic Assistance (CFDA) Number: 21.011.

Dates:

Table 1-FY 2023 Capital Magnet Fund Funding Round Critical Deadlines for Applicants			
Description	Deadline	Time (Eastern Time- ET)	Submission Method
Last day to create an Awards Management Information System (AMIS) Account (if Applicant doesn't have one)	February 23, 2023	11:59 p.m. ET	Electronically via Awards Management Information System (AMIS)
Last day to enter or update the Employer Identification Number (EIN) and Unique Entity Identifier (UEI) numbers in AMIS (all Applicants)	February 23, 2023	11:59 p.m. ET	Electronically via AMIS
Last day to submit SF-424 Mandatory Form (Application for Federal Assistance)	February 23, 2023	11:59 p.m. ET	Electronically via Grants.gov
For Applicants using a Consortium	February 23, 2023	11:59 pm ET	Submit Service Request via AMIS using "Capital Magnet

Approach only: Applicants are asked to submit a Service Request in AMIS notifying the CMF Program of the organization's intent to apply as a Consortium Member using the Consortium Approach			Fund” for the program
Last day to contact Capital Magnet Fund Staff	March 17, 2023	5:00 p.m. ET	Submit Service Request via AMIS using “Capital Magnet Fund” for the program; call CDFI Fund Helpdesk: 202-653-0421; or email cmf@cdfi.treas.gov
Last day to contact CDFI Fund with questions about Compliance or CDFI Certification	March 17, 2023	5:00 p.m. ET	Submit Service Request via AMIS using “Compliance and Reporting” or “Certification”; call CCME Helpdesk: 202-653-0423; or email ccme@cdfi.treas.gov
Last day to contact AMIS-IT Help Desk (regarding AMIS technical problems only)	March 21, 2023	5:00 p.m. ET	Submit Service Request via AMIS using “Technical Issues” for the program; call AMIS Helpdesk: 202-630-0422; or email amis@cdfi.treas.gov
Last day to submit CMF Application and Required Attachments	March 21, 2023	11:59 p.m. ET	Electronically via AMIS

Executive Summary: The Capital Magnet Fund (CMF) is administered by the Community Development Financial Institutions Fund (CDFI Fund). Through the CMF, the CDFI Fund provides financial assistance grants to certified Community Development Financial Institutions (CDFIs) and to qualified Nonprofit Organizations that have the development or management of affordable housing as one of their principal purposes. All Awards provided through this Notice of Funds Availability (NOFA) are subject to funding availability.

I. Program Description:

A. Authorizing Statute and Regulation: The CMF was established through the Housing and

Economic Recovery Act of 2008 (HERA), which added section 1339 to the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. For a complete understanding of the program, the CDFI Fund encourages Applicants to review the CMF Interim Rule (12 CFR part 1807) as amended February 8, 2016 (the CMF Interim Rule); this NOFA; the CDFI Fund's environmental quality regulation (12 CFR part 1815); the CMF funding application (referred to hereafter as the "Application," meaning the application submitted in response to this NOFA); and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 1000), which is the Department of the Treasury's codification of the Office of Management and Budget (OMB) government-wide framework for grants management at 2 CFR Part 200 (Uniform Administrative Requirements or UAR). Each capitalized term used in this NOFA, but not defined herein, shall have the respective meanings assigned to them in the CMF Interim Rule, the Application, or the Uniform Administrative Requirements. Details regarding Application content requirements are found in the Application and related materials at www.cdfifund.gov/cmf.

B. History: The CDFI Fund was established by the Riegle Community Development Banking and Financial Institutions Act of 1994 to promote economic revitalization and community development through investment in and assistance to CDFIs. The CMF made its first Awards in FY 2010, with subsequent funding rounds beginning in FY 2016 and occurring annually thereafter. To date, more than \$1.07 billion has been awarded under the CMF Program.

C. Programmatic Changes from the Prior Round NOFA:

1. Ability to apply using a Consortium Approach: Under this NOFA, Applicants will be able to apply for a CMF Award as individual members of a Consortium. See Section I. D.2 and Section I.D.3 for definitions. Additional details on applying for and performing as a Consortium member as it relates to a CMF Award are provided throughout this NOFA.

2. Expansion of the High Opportunity Area (HOA) Definition: In addition to the HOA criteria established by the Federal Housing Finance Agency's Duty to Serve Rule, this NOFA includes

Expanded CMF HOA Criteria developed by the CDFI Fund. See Section I.D.6 of this NOFA for additional details.

D. Definitions:

1. Areas of Economic Distress: Areas of Economic Distress are census tracts: (a) where at least 20% of households that are Very Low-Income (50% of AMI or below) spend more than half of their income on housing; or (b) that are designated Qualified Opportunity Zones under 26 U.S.C § 1400Z-1; or (c) that are Low-Income Housing Tax Credit Qualified Census Tracts; or (d) where greater than 20% of households have incomes below the poverty rate and the rental vacancy rate is at least 10%; or (e) where greater than 20% of the households have incomes below the poverty rate and the homeownership vacancy rate is at least 10%; or (f) are Underserved Rural Areas as defined in the CMF Interim Rule. The CDFI Fund will publish a dataset on its website indicating which census tracts are designated as Areas of Economic Distress for the FY 2023 CMF Funding Round.

2. Consortium: A Consortium is comprised of a group of at least two, and no more than five, eligible, and unaffiliated CDFIs or nonprofit affordable housing developers/managers, applying for a CMF Award under this NOFA. The purpose of the Consortium must be to finance and support Affordable Housing, and Economic Development Activities, if applicable.

3. Consortium Approach: The Consortium Approach is the manner in which members of a Consortium apply for a CMF Award under this NOFA, wherein member Applications are evaluated both individually and as a Consortium.

4. Entity Approach: The Entity Approach is the manner in which the Applicant will be using the CMF Award. There are two types of Entity Approaches: (a) financing entities and (b) affordable housing developers/managers. Each Applicant will be required to specify which type of Entity Approach it will be using prior to starting the Application.

A financing entity is an entity whose predominant business activity is the provision of arm's length transactions and services to independent, unrelated parties, each acting in its own best interest. Such transactions support and promote affordable housing and/or community development through the provision of financial products that serve low-income communities, individuals, or families in underserved markets or communities.

An affordable housing developer/manager is a Nonprofit Organization whose primary mission is the construction, development, redevelopment, preservation, or management of affordable housing. The affordable housing developer/manager may own the housing that it develops; may own it in part, such as a limited partnership; may sell the Homeownership or rental housing it develops once completed; or may sell but continue to manage the housing if rental housing.

5. High Opportunity Areas (HOA):

(A) Standard HOA Criteria: Shall mean the definition of High Opportunity Area (HOA) found in the Federal Housing Finance Agency's Duty to Serve Rule (12 C.F.R. §1282.1), effective as of the date of the publication of this NOFA. This term is defined as: (a) An area designated by the Department of Housing and Urban Development (HUD) as a "Difficult Development Area" during any year covered by an Enterprise's Underserved Markets Plan (Plan) or in the year prior to a Plan's effective date, whose poverty rate falls below 10% (for Metropolitan areas) or below 15% (for Non-Metropolitan areas); or (b) an area designated by a state or local Qualified Allocation Plan (QAP) as a high opportunity area whose poverty rate falls below 10% (for Metropolitan areas) or 15% (for Non-Metropolitan areas). The CDFI Fund will publish a dataset on its website indicating which census tracts are designated as High Opportunity Areas for the FY 2023 CMF Funding Round.

(B) Expanded CMF HOA Criteria: The CMF Program will accept an expanded definition of High Opportunity Area for areas that do not meet the Federal Housing Finance Agency definition, but instead meet a set of Expanded CMF HOA Criteria demonstrating the designated

area(s) provide access to a combination of at least three of the following four criteria: (1) high-quality youth (K-12) education opportunities; (2) employment opportunities; (3) transportation opportunities; and/or (4) financial service opportunities. For a Project to qualify as being in a High Opportunity Area under the Expanded CMF HOA Criteria definition, the location of the Project must meet at least three of the four Expanded CMF HOA Criteria, and cannot be located in a Food Desert as identified by the U.S. Department of Agriculture (<https://www.ers.usda.gov/data/fooddesert>) as of the publication date of this NOFA in the Federal Register.

I. CMF HOA Criteria Definitions: To meet the Expanded CMF HOA definition, the location must meet at least three of the following four CMF HOA Criteria:

(1) *Access to High-Quality Youth (K-12) Education:* To meet the high-quality youth (K-12) education criterion, the CMF-financed/supported rental unit(s) must be: (i) located in an area served by a school that, in any of the three years prior to the date of this NOFA, has been either recognized by the U.S. Department of Education as a National Blue Ribbon School, or has received the highest rating available from its State's education agency; and (ii) available to Families living in CMF-financed/supported rental units.

(2) *Access to Employment:* To meet the access to employment criterion, the CMF-financed/supported rental unit(s) must be located within a one-mile radius of one of the 25 largest employers in the applicable county. The largest employers in the county are measured by number of employees at the location(s) in the applicable county.

(3) *Access to Transportation:* To meet the access to transportation criterion, the CMF-financed/supported rental unit(s) must be within ¼ mile of a multi-modal transit station (includes at least two forms of public transit such as metro, light rail, bus, ferry, or trolley) if located in a Metropolitan Area. The CMF-financed/supported rental unit(s) must be within two miles of "Fixed-route Public Transportation" if located in a rural ("Non-Metropolitan") area. "Fixed-route Public Transportation" means year-round, regularly scheduled public transportation that operates

at least 5 days per week and provides regular service throughout the day.

(4) *Access to Financial Services*: To meet the access to financial services criterion, the CMF-financed/supported rental unit(s) must be in a census tract with a bank or credit union branch presence (i.e., not simply a standalone ATM).

E. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 1000): The Uniform Administrative Requirements codify financial, administrative, procurement, and program management standards that federal award-making agencies must follow. Per the Uniform Administrative Requirements, when evaluating award Applications, awarding agencies must evaluate each Applicant's merits, eligibility, and any risks to the program posed by each Applicant. These requirements are designed to ensure that Applicants for federal assistance receive a fair and consistent review prior to an award decision. This review will assess items such as the Applicant's financial stability, quality of management systems, history of performance, and single audit findings. In addition, the Uniform Administrative Requirements include guidance on audit requirements and other award compliance requirements for award Recipients.

F. Priorities: The purpose of the CMF is to attract private capital for and increase investment in the Development, Preservation, Rehabilitation, or Purchase of Affordable Housing for primarily Extremely Low-Income, Very Low-Income, and Low-Income Families, as well as Economic Development Activities, which, In Conjunction With Affordable Housing Activities, implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area. To pursue these objectives, the CDFI Fund has established the following priorities for the FY 2023 CMF Funding Round: (i) Applications where at least 20% of all rental Affordable Housing units that will be financed and/or supported with FY 2023 CMF Awards are reserved for Very Low-Income Families, and/or at least 20% of all Homeownership Affordable Housing units are reserved for Low-Income Families; (ii) Applications where rental Affordable Housing units located in either Areas of Economic Distress (AED) and/or High Opportunity Areas (HOA) are

reserved for Eligible-Income Families; (iii) Applications where Homeownership Affordable Housing units are for (a) Families with incomes above 80% and no greater than 120% of AMI located in an AED, (b) Low-Income Families (up to 80% of the AMI), or (c) a combination of (a) and (b); and (iv) Applications proposing to use the CMF Award to leverage private capital to finance and/or support Affordable Housing Activities and Economic Development Activities. Additionally, the CDFI Fund seeks to fund Applications serving geographically diverse Areas of Economic Distress, including Metropolitan Areas and Underserved Rural Areas. In particular, the priority for geographic diversity includes funding highly qualified Applications that serve territories not included in the Service Areas of Recipients in the past two CMF rounds FY 2020 and FY 2021: American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands.

G. Funding limitations: The CDFI Fund reserves the right to fund, in whole or in part, any, all, or none of the Applications submitted in response to this NOFA.

II. Federal Award Information

A. Funding Availability: The CDFI Fund plans to award up to \$320.6 million in grants for the FY 2023 CMF Funding Round under this NOFA. Eligible organizations of all sizes are encouraged to apply, including new and previous Applicants, past CMF Recipients, and Applicants focused on Homeownership, rental housing, or both. HERA prohibits the CDFI Fund from obligating more than 15% of the aggregate available in CMF Awards to any Applicant, its Subsidiaries, and its Affiliates in the same funding round. In past rounds, the CDFI Fund has provided Awards smaller than the statutory cap. For example, in the last three funding rounds, Awards ranged from \$633,750 to \$12,000,000, with an average Award of \$4.4 million. Given the administrative and compliance responsibilities for Recipients, the CDFI Fund will not accept Applications that request less than \$500,000, and will not provide Awards below \$500,000 to any CMF Award Recipients.

The CDFI Fund reserves the right, in its sole discretion, to provide a CMF Award in an amount

other than that which the Applicant requests. However, the Award amount will not exceed the Applicant's Award request as stated in its Application. An Applicant may receive only one Award through the FY 2023 CMF Funding Round. Affiliates of Applicants are not allowed to apply separately.

B. Types of Awards: The CDFI Fund will provide CMF Awards in the form of grants. CMF Awards must be used to support the eligible activities as set forth in 12 CFR 1807.301.

A CMF Award Recipient may not distribute the CMF Award to any Affiliate, Subsidiary, or third-party entity in any manner that would create a Subrecipient relationship (as defined in the Uniform Administrative Requirements) without the CDFI Fund's prior written consent. The Recipient of a CMF Award must retain all obligations related to the Award. This restriction does not prevent a Recipient from loaning or investing directly in an Affiliate (separate legal entity) or in a specific Project being undertaken by an Affiliate. With the exception of Depository Institution Holding Company Applicants, CMF Awards may not be used to support the activities of, or otherwise be passed through, transferred, or co-awarded to, third-party entities, whether Affiliates, Subsidiaries, or others, unless done pursuant to a merger or acquisition or similar transaction, and with the CDFI Fund's prior written consent.

C. Limitations on using CMF Awards in conjunction with other CDFI Fund Awards/allocations:

1. A CMF Award Recipient may not use its CMF Award for any Project that also receives funding from other CDFI Fund program awards or allocations the Recipient (or any of its Affiliates) has received, except when the CMF Award dollars are used to finance/support a different "phase" of development in the same Project than that financed by other CDFI Fund awards or allocations. The separate phases of development financing are: (i) Predevelopment; (ii) acquisition; (iii) site work (preconstruction); (iv) construction/rehabilitation; (v) permanent financing; or (vi) bridge financing between two or more phases. This restriction does not apply to the Recipient's prior CMF Awards. The Recipient may combine its multiple CMF Awards to provide financing on any Project, including financing the same phase of any Project.

However, the Recipient may not deem the same costs as Eligible Project Costs under multiple CMF Awards and must prorate the unit production performance across its multiple CMF Awards. Recipients using a Consortium Approach (see Section III.E.1) with separate CMF Awards from the FY 2023 CMF Funding Round must use their Awards to finance the same Projects. For these Projects, Eligible Project Costs, unit production, and Leveraged Costs are prorated.

If providing Homeownership assistance, a CMF Award may be used in conjunction with awards/allocations from other CDFI Fund programs only if the Project can be divided into such phases (e.g. construction of for-sale housing) and the CMF Award is used in a different phase from the other CDFI Fund program awards/allocations. However in the case of Homeownership purchase assistance, a CMF Award cannot be used for a Homeownership property that is permanently financed (or supported) by mortgages funded by both the Recipient's (or any of its Affiliates') CMF Award, and an award/Allocation from another CDFI Fund program, or that of another CMF Recipient.

2. As further set forth in the Assistance Agreement, CMF Recipients shall not count or report as Leveraged Costs pursuant to this NOFA any costs financed and/or supported by a Recipient's awards/allocations from other CDFI Fund programs or awards/allocations from other CMF Recipients, including awards from prior CMF rounds. While a Recipient may combine its CMF Award pursuant to this NOFA with other CMF Awards to finance/support the same Project, each CMF Award must separately meet the program requirements as outlined in the applicable Assistance Agreement and the CMF Interim Rule (12 CFR part 1807).

In all cases, the CMF Award remains subject to the following restriction imposed by the CDFI Bond Guarantee Program: award funds received under any CDFI Fund program cannot be used by any participant of the CDFI Bond Guarantee Program, including Qualified Issuers, Eligible CDFIs, and Secondary Borrowers, to pay principal, interest, fees, administrative costs, or issuance costs (including Bond Issuance Fees) related to the CDFI Bond Guarantee Program, or

to fund the Risk Share Pool for a Bond Issue (all capitalized terms used in this sentence, other than “CMF Award,” shall have the meanings ascribed to them in the CDFI Bond Guarantee Program regulations and applicable guidance).

D. Anticipated Start Date and Period of Performance: The CDFI Fund anticipates the period of performance for the FY 2023 CMF Funding Round to begin in 2023. The period of performance for each CMF Award begins on the date the CDFI Fund announces the Recipients of the FY 2023 CMF Funding Round Awards and continues until the end of the ten-year period of affordability for all Projects financed and/or supported with the CMF Award, as set forth at 12 CFR 1807.401(d) and 12 CFR 1807.402, and as further set forth in the Assistance Agreement, during which time the Recipient must meet certain Performance Goals.

E. Eligible Activities: A CMF Award must support or finance activities that attract private capital for and increase investment in: (i) the Development, Preservation, Rehabilitation, or Purchase of Affordable Housing for primarily Low-, Very Low-, and Extremely Low-Income Families; and (ii) Economic Development Activities. CMF Awards may only be used as follows: (i) to provide Loan Loss Reserves; (ii) to capitalize a Revolving Loan Fund; (iii) to capitalize an Affordable Housing Fund; (iv) to capitalize a fund to support Economic Development Activities; (v) for Risk-Sharing Loans; or (vi) to provide Loan Guarantees. No more than 30% of a CMF Award may be used for Economic Development Activities. The CDFI Fund allows all Recipients to use up to 5% of their CMF Award for Direct Administrative Expenses. The amount available for Direct Administrative Expenses may only be used for direct costs (as defined by the Uniform Administrative Requirements) incurred by the Recipient and related to the financing and/or support of a Project. The CDFI Fund considers the tracking of impacts and outcomes associated with Projects financed and/or supported by a CMF Award to fall under Direct Administrative Expenses. Any portion of the amount available for Direct Administrative Expenses may be used for direct costs related to the effective tracking and evaluation of program or evidence-based outcomes for Projects.

The CDFI Fund recognizes that some CMF Recipients, due to their business model, may need to work with a third-party originator to originate the CMF loans for mortgage financing. The CMF regulations in 12 C.F.R. §1807.104 defines “Purchase” as “to provide direct financing to a Family for purposes of Homeownership.” The CDFI Fund hereby clarifies that under the definition of “Purchase,” a CMF Recipient may use its CMF Award to purchase CMF eligible loans from a third-party originator within 12 months of origination. The CDFI Fund deems the CMF Recipient’s purchase of the CMF eligible loans as “direct” financing under the definition of “Purchase.” The CMF Recipient must work with the third-party originator to identify income eligible borrowers and ensure the loans and associated Affordable Housing meet all of the requirements of 12 C.F.R part 1807.

III. Eligibility Information:

A. Eligible Applicants: In order to be eligible to apply for a CMF Award, an Applicant must either be a Certified CDFI or a Nonprofit Organization, as defined in 12 CFR 1807.104. Table 2 indicates the criteria that each category of Applicant must meet in order to be eligible for a CMF Award pursuant to this NOFA. *Note:* A Certified CDFI that is also a Nonprofit Organization only needs to meet the Certified CDFI eligibility criteria described in Table 2, below, in order to be eligible for a CMF Award. Applicants may be members applying under a Consortium Approach comprised of eligible Applicants, but each Consortium member must separately apply and be individually eligible to receive a CMF Award.

Table 2-Applicant Eligibility Requirements	
Category	Eligibility Requirements
Certified CDFI	<ul style="list-style-type: none"> • Has been in existence as a legally formed entity for at least three (3) years prior to the AMIS Application deadline under this NOFA; • Has been determined by the CDFI Fund to meet the CDFI certification requirements set forth in 12 CFR 1805.201 and as verified in the CDFI’s AMIS account as of the publication date of this NOFA in the Federal Register; and • Has not been notified in writing by the CDFI Fund that its certification has been terminated since the publication date of this NOFA.

	<ul style="list-style-type: none"> • If a Certified CDFI loses its certification at any point prior to the Award announcement, the Application will be deemed ineligible and no longer be considered by the CDFI Fund. Post-Award, if a CMF Recipient loses its CDFI Certification, its compliance status with respect to the Assistance Agreement will be reviewed by the Office of Compliance Monitoring and Evaluation (OCME) in accordance with the terms of the Assistance Agreement. • In cases where the CDFI Fund has provided a Certified CDFI with written notification that it no longer meets one or more certification standards and it has been given an opportunity to cure, the CDFI Fund will continue to deem this Applicant to be a Certified CDFI until it has received a final determination letter that its certification has been terminated. A Certified CDFI is considered eligible for an Award until a final certification determination has been made, and a final determination letter has been provided to the Applicant by the CDFI Fund. • Has audited financial statements encompassing its two most recent historic fiscal years prior to the publication date of this NOFA.¹ A Regulated Institution that files call reports to its regulator is exempt from this requirement and must attach call reports for its two most recent historic fiscal years in lieu of audited financial statements.
Nonprofit Organization	<ul style="list-style-type: none"> • Has been in existence as a legally formed entity for at least three (3) years prior to the AMIS Application deadline under this NOFA; • Meets the definition of Nonprofit Organization set forth in 12 CFR 1807.104; • Demonstrates, through articles of incorporation, by-laws, or other board-approved documents, that the development or management of affordable housing are among its principal purposes; • Demonstrates by providing an attestation in the Application that at least 33.3% of its total assets are dedicated to the development or management of affordable housing; and • Has audited financial statements encompassing its two most recent historic fiscal years prior to the publication date of this NOFA. A Regulated Institution that files call reports to its regulator is exempt from this requirement and must attach call reports for its two most recent historic fiscal years in lieu of audited financial statements.
Debarment/Do Not Pay Verification	<ul style="list-style-type: none"> • The CDFI Fund will conduct a debarment check and will not consider an Application submitted by an Applicant if the Applicant (or Affiliate of an Applicant) is delinquent on any federal debt. • The Do Not Pay Business Center was developed to support federal agencies in their efforts to reduce the number of improper payments made through programs funded by the federal government. The Do Not Pay Business Center provides

	delinquency information to the CDFI Fund to assist with the debarment check.
System for Award Management (SAM)	<ul style="list-style-type: none"> • Each Applicant must have its own active SAM registration in order to submit the required Application materials through Grants.gov. • SAM is a web-based, government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract awards, grants, and electronic payment processes. See SAM.gov for more information. • Applicants that have an active SAM registration have been assigned a UEI. Applicants must also have an EIN number in order to register in SAM.gov. • Applicants must complete registration in SAM.gov in order to be able to complete the Grants.gov registration and submit an SF-424. • The CDFI Fund reserves the right to deem an Application ineligible if the Applicant's SAM account expires during the Application evaluation period, or is set to expire before December 31, 2023, and the Applicant does not re-activate or renew (as applicable) the account within the deadlines that the CDFI Fund communicates to affected Applicants during the Application evaluation period.
Application type and submission method through Grants.gov and Awards Management Information System (AMIS)	<ul style="list-style-type: none"> • Each Applicant must submit the required Application documents listed in Table 4. • The CDFI Fund will only accept Applications that use the official Application templates provided on the Grants.gov and AMIS websites. Applications submitted with alternative or altered templates will not be considered. • Applicants undergo a two-step process that requires the submission of Application documents by two separate deadlines in two different locations: 1) the SF-424 in Grants.gov and 2) all other Required Application Documents in AMIS. • Grants.gov and the SF-424 Mandatory form: <ul style="list-style-type: none"> o Applicants must submit the Office of Management and Budget (OMB)-approved Standard Form (SF) 424 Mandatory (Application for Federal Assistance) form in Grants.gov. o All Applicants must register in the Grants.gov system to successfully submit an Application. The Grants.gov registration process can take 30 days or more to complete. The CDFI Fund strongly encourages Applicants to register as early as possible to meet the deadlines in Table 1 and Table 6. o The SF-424 must be submitted in Grants.gov before the other Application materials are submitted in AMIS. Applicants are strongly encouraged to submit their SF-424 as early as possible via the Grants.gov portal. o Because the SF-424 is part of the Application, if the SF-424 is not accepted by Grants.gov by the applicable

	<p>deadline, the Applicant will not be able to submit the AMIS Application.</p> <ul style="list-style-type: none"> o The SF-424 must be submitted under the FY 2023 CMF Funding Round CMF Funding Opportunity Number. o The CDFI Fund will not extend the SF-424 application deadline for any Applicant that started the <i>Grants.gov</i> registration process on, before, or after the date of the publication of this NOFA, but did not complete it by the deadline, except in the case of a federal government administrative or technological error that directly resulted in precluding an Applicant from submitting the SF-424 by the required deadline. <ul style="list-style-type: none"> • AMIS: <ul style="list-style-type: none"> o Applicants must submit all other required Application materials in AMIS. o AMIS is the CDFI Fund's enterprise-wide information technology system that will be used to submit and store organization and Application information with the CDFI Fund. o Applicants are only allowed one Capital Magnet Fund Application submission per funding round in AMIS. o Members of a Consortium must submit every component of the Application separately and independently from other members of the Consortium. o Each Application in AMIS must be signed by an Authorized Representative. The Authorized Representative is an employee or officer of the Applicant, authorized to sign legal documents on behalf of the organization. <i>Consultants working on behalf of the organization may not be designated as Authorized Representatives.</i> o Only an Authorized Representative or Application Point of Contact included in the Application may submit the Application in AMIS. o All Required Application Documents must be submitted in AMIS on or before the deadline specified in Table 1. o The CDFI Fund will not extend the deadline for any Applicant except in the case of a federal government administrative or technological error that directly resulted in precluding an Applicant from submitting the Application in AMIS by the required deadline.
Employer Identification Number (EIN)	<ul style="list-style-type: none"> • Each Applicant must have a unique EIN assigned by the Internal Revenue Service (IRS). • The CDFI Fund will reject an Application submitted with the EIN of a parent or Affiliate of the Applicant. • The EIN in the Applicant's AMIS account must match the EIN on the SF-424 submitted through Grants.gov and the EIN in the Applicant's System for Award Management (SAM) account. The CDFI Fund reserves the right to reject an Application if the

	<p>EIN in the Applicant’s AMIS account does not match the EIN on the SF-424 and/or its SAM account.</p> <ul style="list-style-type: none"> • The EIN of the Applicant must be entered into the AMIS organization profile by the applicable deadline in Table 1.
Unique Entity Identifier (UEI)	<ul style="list-style-type: none"> • The transition from the Dun and Bradstreet Universal Numbering System (DUNS) to UEI is a federal, government-wide initiative. • The CDFI Fund will reject an Application submitted with the UEI number of a parent or Affiliate organization of an Applicant. • The UEI number in the Applicant’s AMIS account must match the UEI number in the Applicant’s <i>Grants.gov</i> and SAM accounts. • The CDFI Fund will reject an Application if the UEI number in the Applicant’s AMIS account does not match the UEI number in its <i>Grants.gov</i> and SAM accounts. • Applicants must enter their UEI number into their AMIS profile on or before the deadline specified in Table 1.
AMIS Account	<ul style="list-style-type: none"> • Each Applicant, including each Consortium Member, must register as an organization in AMIS and submit all required Application materials through the AMIS portal. • If the Applicant does not fully register its organization in AMIS by the deadline set forth in Table 1, its Application will be rejected without further consideration. • The Authorized Representative and Application Point of Contact must be included as “users” in the Applicant’s AMIS account. • An Applicant that fails to properly register and update its AMIS account may miss important communications from the CDFI Fund or not be able to successfully submit an Application. • In cases where a federal government administrative or technological error directly resulted in precluding an Applicant from creating an AMIS account by the required deadline, the Applicant must submit a written request for approval to create its AMIS account after the deadline, and include documentation of the error, no later than two business days after the AMIS account creation deadline specified in Tables 1 and 6. The CDFI Fund will not respond to requests for creating an AMIS account after that time. Applicants must submit such request via an AMIS Service Request to the CMF Program with a subject line of “AMIS Account Creation Deadline Extension Request.”
501(c)(4) status	<ul style="list-style-type: none"> • Pursuant to 2 U.S.C. 1611, any 501(c)(4) organization that engages in lobbying activities is not eligible to apply for or receive a CMF Award.
Compliance with Nondiscrimination and Equal Opportunity Statutes, Regulations, and Executive Orders	<ul style="list-style-type: none"> • An Applicant may not be eligible to receive a CMF Award if proceedings were instituted against it in, by, or before any court, governmental agency, or administrative body, and a final determination was made within the time period beginning three years prior to the publication of this NOFA through the execution of the Assistance Agreement, declaring that the Applicant violated any federal civil rights laws or regulations,

	including: Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107).
Depository Institution Holding Company Applicant	<ul style="list-style-type: none"> • If a Depository Institution Holding Company and its Certified CDFI Subsidiary Insured Depository Institution both apply for a CMF Program grant, only the Depository Institution Holding Company will receive an Award, not both. In such instances, the Subsidiary Insured Depository Institution will be deemed ineligible. • The Authorized Representative of the Depository Institution Holding Company Applicant must certify that the information included in the Application represents that of the Subsidiary CDFI Insured Depository Institution, and that the Award will be used to support the Subsidiary CDFI Insured Depository Institution for the eligible activities outlined in the Application.
Regulated Institutions ²	<ul style="list-style-type: none"> • To be eligible for an Award, each Regulated Institution Applicant must have a CAMELS/CAMEL composite rating (rating for banks and credit unions, respectively), by its federal regulator of at least “3” or state regulator equivalent. • Organizations with CAMELS/CAMEL composite ratings of “4” or “5” will not be eligible for Awards. • Organizations with a Prompt Corrective Action directive from its regulator will not be eligible for Awards. • In the case of a Depository Institution Holding Company Applicant that intends to carry out the Award through a Subsidiary Insured Depository Institution, the CAMELS/CAMEL rating eligibility requirements noted above apply to both the Depository Institution Holding Company Applicant, as well as the Subsidiary Insured Depository Institution. • The CDFI Fund will also evaluate material concerns identified by the Appropriate Federal Banking Agency or Appropriate State Agency in determining eligibility of Regulated Institution Applicants.

¹(A) Applicants with a 6/30 fiscal year end date, or 9/30 fiscal year end date, and a completed FY 2022 audit will treat FY 2022 as their most recent historic fiscal year. (B) Applicants with a 6/30 fiscal year end date, or a 9/30 fiscal year end date, but without a completed FY 2022 audit will treat FY 2021 as their most recent historic fiscal year. (C) Applicants with a 3/31 fiscal year end date will treat FY 2022 as their most recent historic fiscal year. (D) Applicants with a 12/31 fiscal year end date will treat FY 2021 as their most recent historic fiscal year.

²Regulated Institutions include Insured Credit Unions, Insured Depository Institutions, State-Insured Credit Unions, and Depository Institution Holding Companies.

Any Applicant that does not meet the criteria in Table 2 is ineligible to apply for a CMF Award under this NOFA. Further, Section III.B describes additional considerations applicable to prior Recipients and/or allocatees under any CDFI Fund program.

B. Prior Award Recipients: Eligibility determinations in prior funding rounds have no bearing on and do not guarantee eligibility in this round. Prior CMF Award Recipients and prior award

recipients of other CDFI Fund programs will be eligible to apply under this NOFA if they meet the eligibility criteria in Table 2, except as noted in Table 3.

Table 3-Eligibility Requirements for Applicants which are Prior Award/Allocation Recipients	
Criteria	Description
Pending resolution of default or noncompliance	<ul style="list-style-type: none"> If an Applicant (or Affiliate of an Applicant) that is a prior recipient or allocatee under any CDFI Fund program: (i) has demonstrated it has been in default or noncompliance with a previous assistance agreement, award agreement, allocation agreement, bond loan agreement, or agreement to guarantee and (ii) the CDFI Fund has yet to make a final determination as to whether the entity is in noncompliance with or default of its previous agreement, the CDFI Fund will consider the Applicant's Application under this NOFA pending full resolution, in the sole determination of the CDFI Fund, of the default or noncompliance.
Default or Noncompliance status	<ul style="list-style-type: none"> The CDFI Fund will not consider an Application submitted by an Applicant that is a prior CDFI Fund Recipient or allocatee under any CDFI Fund program if, as of the AMIS Application deadline of this NOFA, is noncompliant or found in default with a previously executed award agreement(s), assistance agreement(s), allocation agreement(s), bond loan agreement(s) or agreement(s) to guarantee and the CDFI Fund has provided written notification that the Applicant is ineligible to apply for or receive any future awards or allocations for a time period specified by the CDFI Fund in writing.

C. Contacting the CDFI Fund: Applicants that are prior Recipients and/or allocatees under any CDFI Fund program are advised to comply with requirements specified in an Assistance Agreement, allocation agreement, bond loan agreement, or agreement to guarantee, and to ensure their Affiliates are in compliance with any agreements. All outstanding reporting and compliance questions should be directed to the Office of Compliance Monitoring and Evaluation help desk by AMIS Service Requests (select “Capital Magnet Fund” for “Program”), via email CCME@cdfi.treas.gov, or by telephone at (202) 653-0423. For general questions, organizations with an AMIS account are strongly encouraged to submit a Service Request in AMIS using “Capital Magnet Fund” for the Service Request program. Members of the public that do not have AMIS accounts can contact Capital Magnet Fund staff via e-mail at CMF@cdfi.treas.gov. The

CDFI Fund will not respond to Applicants' reporting, compliance, or disbursement related telephone calls or e-mail inquiries that are received after 5:00 p.m. ET on March 17, 2023 until after the Application deadline. The CDFI Fund will respond to technical issues related to AMIS Accounts through 5:00 p.m. ET on March 21, 2023, via AMIS Service Requests, or at AMIS@cdfi.treas.gov, or by telephone at (202) 653-0422.

D. Cost sharing or matching funds requirements: Not applicable.

E. Other Eligibility Criteria:

1. *Consortium Approach:* To be eligible under a Consortium Approach, individual members of a Consortium must submit individual Applications and meet the eligibility criteria defined in Table 2 on a stand-alone basis. If awarded, each Recipient will receive a separate Award, and be required to meet the terms of its individual Assistance Agreement. The CDFI Fund will require Recipients using the Consortium Approach to enter into a CMF Recipient Consortium Member Agreement, which will specify the binding commitments of each member.

All Consortium members must invest their individual Awards in the same Projects as the other Consortium members. A Consortium does not need to be legally formed in advance of submitting an Application; however, each Consortium member is asked to submit a Service Request in AMIS notifying the CDFI Fund of the organization's intent to apply under this NOFA as a Consortium member by the required deadline specified in Table 1.

If one or more members indicate an intent to apply under the Consortium Approach, but fail to meet the eligibility criteria in Table 2, or are otherwise not eligible for an Award, the CDFI Fund reserves the right to review the other Applications on a stand-alone basis and not as a Consortium.

2. *Affiliates:* As part of the Application review process, the CDFI Fund considers whether Applicants are Affiliates, as defined in 12 CFR 1805.104. If an Applicant and its Affiliate(s) wish to submit an Application, they must do so through one of the Affiliated entities, in one Application; an Applicant and its Affiliates may not submit separate Applications. If Affiliates

submit multiple or separate Applications, the CDFI Fund may, at its discretion, reject all such Applications received or select only one of the submitted Applications to be deemed eligible, assuming that Application meets all other eligibility criteria in Section III of this NOFA.

3. *Minimum Leverage Multiplier:* An Applicant will not be eligible to receive a CMF Award if the Applicant fails to demonstrate in the Application that its CMF Award would result in Eligible Project Costs (Leveraged Costs plus those costs funded by the CMF Award) that equal at least 10 times the amount of the CMF Award. Note that no costs attributable to Direct Administrative Expenses may be considered Eligible Project Costs.

IV. Application and Submission Information

A. Address to Request Application Package: Application materials can be found on Grants.gov and the CDFI Fund's website at www.cdfifund.gov/cmfi. If an Applicant is unable to access Grants.gov or the CDFI Fund's website, an Applicant may request a paper version of any Application material by contacting the CDFI Fund Help Desk by e-mail at cmfi@cdfi.treas.gov or by phone at (202) 653-0421.

B. Content and Form of Application Submission: The CDFI Fund will post to its website, at www.cdfifund.gov/cmfi, instructions for accessing and submitting an Application. Detailed Application content requirements are found in the Application and related guidance documents. All Applications must be prepared in English and calculations must be made in U.S. dollars. Table 4 lists the required funding Application documents. Applicants must submit all required documents for the Application to be deemed complete. Please be aware that an Applicant that fails to submit audited financial statements for its two most recent historic fiscal years will be deemed as not having a complete Application and will be considered ineligible. A Regulated Institution that submits call reports for its two most recent historic fiscal years is exempted from this requirement. The CDFI Fund reserves the right to request and review other pertinent or public information that has not been specifically requested in this NOFA or the Application. Information submitted by the Applicant that the CDFI Fund has not specifically requested will

not be reviewed or considered as part of the Application. Information submitted must accurately reflect the Applicant's activities and/or its Subsidiary Insured Depository Institution, in the case where the Applicant is an Insured Depository Institution Holding Company intending to carry out the activities of the Award through its Subsidiary Insured Depository Institution.

Table 4-Funding Application Documents		
Application Document	Submission Format	Required?
Standard Form (SF) 424 Mandatory Form	Fillable PDF in Grants.gov	Required for all Applicants.
CMF Application	AMIS	Required for all Applicants.
ATTACHMENTS TO THE APPLICATION		
Audited financial statements for the two most recent historic fiscal years . Regulated Institutions may submit call reports in lieu of audited financial statements.	PDF in AMIS	Required for all Applicants.
Any Management Letters, if applicable, related to the audited financial statements for the two most recent historic fiscal years . The Management Letter is prepared by the Applicant's auditor and provides communication on internal control over financial reporting, compliance, and other matters. ³ If no Management Letter was issued for either of the two most recent historic fiscal years, the Applicant must attach a document explicitly stating such.	PDF in AMIS	Required for all Applicants.
State Charter, Articles of Incorporation, authorizing statute, or other establishing documents designating that the Applicant is a nonprofit or not-for-profit entity under the laws of the organization's State of formation.	PDF in AMIS	Required only for Applicants that are not Certified CDFIs.
A certification demonstrating tax exempt status from the IRS. Only Applicants that are governmental instrumentalities, and are unable to provide such determination from the IRS and meet all other eligibility requirements, must submit a legal opinion from counsel, in form and substance acceptable to the CDFI Fund, opining that the Applicant is exempt from federal income tax.	PDF in AMIS	Required only for Applicants that are not Certified CDFIs.
Articles of incorporation, by-laws, authorizing statute, or other documents demonstrating that the Applicant has a principal purpose of <u>managing or developing affordable housing</u> .	PDF in AMIS	Required only for Applicants that are not Certified CDFIs.

³The Management Letter may include suggestions for improving identified weaknesses and deficiencies and/or best practice suggestions for items that may not be considered to be weaknesses or deficiencies. The Management Letter may also include items that are not required to be disclosed in the annual audited financial statements. The Management Letter is distinct from the auditor's Opinion Letter, which is required by Generally Accepted

Accounting Principles (GAAP). Management Letters are not required by GAAP and are sometimes provided by the auditor as a separate letter from the audit itself.

C. Application Submission: The CDFI Fund has a sequential, two-step process that requires the submission of Application documents in separate systems with two separate deadlines. The SF-424 must be submitted through *Grants.gov* and all other Application documents through the AMIS portal. The CDFI Fund will not accept Applications via e-mail, mail, facsimile, or other forms of communication, except in extremely rare circumstances that have been pre-approved by the CDFI Fund. The separate Application deadlines for the SF-424 and all other Application materials are listed in Tables 1 and 6. Only the Authorized Representative for the Organization or Application Point of Contact designated in AMIS may submit the Application through AMIS. Applicants are strongly encouraged to submit the SF-424 as early as possible through *Grants.gov* in order to provide sufficient time to resolve any potential submission issues. Applicants should contact *Grants.gov* directly with questions related to the registration or submission process, as the CDFI Fund does not administer the *Grants.gov* system.

The CDFI Fund strongly encourages Applicants to start the *Grants.gov* registration process as soon as possible, as it may take several weeks to complete (refer to the following link:

<http://www.grants.gov/web/grants/register.html>). An Applicant that has previously registered with *Grants.gov* must verify that its registration is current and active. If an Applicant has not previously registered with *Grants.gov*, it must first successfully register in SAM.gov, as described in Section IV.D below.

D. Unique Entity Identifier (UEI): The UEI has replaced the Dun and Bradstreet Data Universal Numbering System (DUNS) number effective April 4, 2022. The UEI, generated in the System for Award Management (SAM.gov), has become the official identifier for doing business with the federal government. This transition allows the federal government to streamline the entity identification and validation process, making it easier and less burdensome for entities to do business with the federal government. If an entity is registered in SAM.gov today, its UEI has

already been assigned and is viewable in SAM.gov, including inactive registrations. New registrants will be assigned a UEI as part of their SAM registration.

E. System for Award Management (SAM): Any entity applying for federal grants or other forms of federal financial assistance through *Grants.gov* must be registered in SAM before submitting its Application materials through that platform. When accessing *SAM.gov*, users will be asked to create a *Login.gov* user account (if they don't already have one). Going forward, users will use their *Login.gov* username and password every time when logging into *SAM.gov*. The SAM registration process can take four weeks or longer to complete so Applicants are strongly encouraged to begin the registration process upon publication of this NOFA in order to avoid potential Application submission issues. An original, signed notarized letter identifying the authorized entity administrator for the entity associated with the UEI number is required by SAM and must be mailed to the Federal Service Desk. This requirement is applicable to new entities registering in SAM or on existing registrations where there is no existing entity administrator. Existing entities with registered entity administrators do not need to submit an annual notarized letter. Applicants that have previously completed the SAM registration process must verify that their SAM accounts are current and active. Applicants are required to maintain a current and active SAM account at all times during which it has an active federal award or an application under consideration for an award by a federal awarding agency.

The CDFI Fund will not consider any Applicant that fails to properly register or activate its SAM account and, as a result, is unable to submit the SF-424 in *Grants.gov* or the Application by the applicable Application deadline. Applicants must contact SAM directly with questions related to registration or SAM account changes, as the CDFI Fund does not maintain this system. For more information about SAM, please visit <https://www.sam.gov> or call 866-606-8220.

Table 5-Grants.gov Registration Timeline Summary		
Step	Agency	Estimated Minimum Time to complete
Obtain an EIN Number	Internal Revenue Service (IRS)	Two Weeks*

Register in SAM.gov	System for Award Management (SAM). This step will include obtaining a UEI.	Four Weeks*
Register in Grants.gov	Grants.gov	One Week**
<p>*Applicants are advised that the stated duration are estimates only and represent minimum timeframes. Actual timeframes may take longer. The CDFI Fund will not consider any Applicant that fails to properly register or activate its SAM account, has not yet received a UEI number, and/or fails to properly register in <i>Grants.gov</i>.</p> <p>**This estimate assumes an Applicant has a UEI number, an EIN number, and is already registered in <i>SAM.gov</i>.</p>		

F. Submission Dates and Times:

1. *Submission Deadlines:* Table 6 lists the deadlines for submission of the documents related to this CMF Funding Round:

Table 6- FY 2023 CMF Funding Round Deadlines for Applicants			
Document	Deadline	Time – Eastern Time (ET)	Submission Method
SF-424 Mandatory form	February 23, 2023	11:59 pm ET	Electronically via Grants.gov
Create AMIS Account (if the Applicant does not already have one)	February 23, 2023	11:59 pm ET	Electronically via AMIS
For Consortium Approach Applicants only: Applicants are asked to submit a Service Request in AMIS notifying the CMF Program of the organization's intent to apply as a Consortium Member using the Consortium Approach	February 23, 2023	11:59 pm ET	Electronically via AMIS
CMF Application and Required Attachments	March 21, 2023	11:59 pm ET	Electronically via AMIS

2. *Confirmation of Application Submission in Grants.gov and AMIS:* Applicants are required to submit the SF-424 Mandatory Form through the Grants.gov system under the FY 2023 CMF Funding Round Capital Magnet Fund Funding Opportunity Number (listed at the beginning of this NOFA). All other required Application materials must be submitted through the AMIS website. Application materials submitted through each system are due by the applicable deadline

listed in Tables 1 and 6. Applicants must submit the SF-424 by an earlier deadline than that of the other required Application materials in AMIS. If a valid SF-424 is not submitted through *Grants.gov* by the corresponding deadline, the Applicant will not be able to submit the additional Application materials in AMIS, and the Application will be deemed ineligible. Thus, Applicants are strongly encouraged to submit the SF-424 as early as possible in the *Grants.gov* portal, given that potential submission issues may impact the ability to submit a complete Application.

Applicants must also ensure that their AMIS account contains the correct EIN and UEI numbers by the deadline listed in Table 1 of this NOFA.

(a) *Grants.gov Submission Information:* Each Applicant will receive an initial e-mail from *Grants.gov* immediately after submitting the SF-424, confirming that the submission has entered the *Grants.gov* system. This e-mail will contain a tracking number for the submitted SF-424.

Within 48 hours, the Applicant will receive a second e-mail which will indicate if the submitted SF-424 was either successfully validated or rejected with errors. However, Applicants should not rely on the e-mail notification from *Grants.gov* to confirm that their SF-424 was validated.

Applicants are strongly encouraged to use the tracking number provided in the first e-mail to closely monitor the status of their SF-424 by checking *Grants.gov* directly. The Application materials submitted in AMIS are not accepted by the CDFI Fund until *Grants.gov* has validated the SF-424. In the *Grants.gov* Workspace function, please note that the Application package has not been submitted if you have not received a tracking number.

(b) *AMIS Submission Information:* AMIS is a web-based portal where Applicants will directly enter their Application information and add required attachments listed in Table 4. Each Applicant must register as an organization in AMIS in order to submit the required Application materials through this portal. AMIS will verify that the Applicant provided the minimum information required to submit an Application. Applicants are responsible for the quality and accuracy of the information in the Application and in the attachments included in the Application submitted in AMIS. The CDFI Fund strongly encourages the Applicant to allow sufficient time

to confirm the Application content, review the material submitted, and remedy any issues prior to the Application deadline. Applicants can only submit one Application in AMIS. Upon submission, the Application will be locked and cannot be resubmitted, edited, or modified in any way. The CDFI Fund will not unlock or allow multiple AMIS Application submissions.

Prior to submission, each Application in AMIS must be signed by an Authorized Representative. An Authorized Representative is an employee or officer that has the authority to legally bind and make representations on behalf of the Applicant; consultants working on behalf of the Applicant cannot be designated as Authorized Representatives. The Applicant may include consultants as Application point(s) of contact, who will be included on any communication regarding the Application and will be able to submit the Application, but cannot digitally sign the Application. The Authorized Representative and/or Application point(s) of contact must be included as “Contacts” in the Applicant’s AMIS account. The Authorized Representative must also be a “user” in AMIS. An Applicant that fails to properly register and update its AMIS account may miss important communications from the CDFI Fund or fail to submit an Application successfully. Only an Authorized Representative for the organization or an Application point of contact can submit the Application in AMIS. After submitting its Application, the Applicant will not be permitted to revise or modify its Application in any way.

(c) CMF Consortium Member Service Request: Applicants intending to apply using a Consortium Approach are asked to submit a Service Request in AMIS by February 9, 2023, to notify the CDFI Fund of their intent to apply as part of a Consortium. As part of the Service Request, potential Consortium members are asked to provide the names of the Consortium member organizations, the UEIs of Consortium members, and the amount of funding to be requested by each member. In the event all Consortium members do not submit an Application or a member is otherwise ineligible for an Award, the CDFI Fund reserves the right to review the Applications of the other members on a stand-alone basis and not as a Consortium.

3. Multiple Application Submissions: Each Applicant is only permitted to submit one complete

Application in AMIS. However, the CDFI Fund does not administer *Grants.gov*, which does allow for multiple submissions of the SF-424. If an Applicant submits multiple SF-424 Applications in *Grants.gov*, the CDFI Fund will only review the SF-424 Application submitted in *Grants.gov* that is attached to the AMIS Application. Applicants using a Consortium Approach must each separately submit an SF-424.

4. *Late Submission:* The CDFI Fund will not accept an Application if a valid SF-424 is not submitted by *Grants.gov* by the SF-424 deadline. Additionally, the CDFI Fund will not accept an Application if it is not signed by an Authorized Representative and submitted in AMIS by the Application deadline. In either case, the CDFI Fund will not review any material submitted and the Application will be deemed ineligible, except in the case of a federal government administrative or technological error that directly resulted in precluding an Applicant from submitting by the deadline. This exception includes any errors associated with *Grants.gov*, *SAM.gov*, AMIS, or any other applicable government system.

(a) *SF-424 Late Submission:* In cases where a federal government administrative or technological error directly resulted in precluding an Applicant from submitting the SF-424 by the deadline, the Applicant must submit a Service Request in AMIS for acceptance of the late SF-424 submission and include documentation of the error no later than two business days after the SF-424 deadline. The CDFI Fund will not respond to requests for acceptance of late SF-424 submissions after that time period. Applicants must submit late SF-424 submission requests to the CDFI Fund via an AMIS Service Request to the CMF Program with a subject line of “CMF Late SF-424 Submission Request.”

(b) *Application Late Submission:* In cases where a federal government administrative or technological error directly resulted in precluding an Applicant from submitting the Application by the deadline, the Applicant must submit a Service Request in AMIS for acceptance of the late Application submission and include documentation of the error no later than two business days after the Application deadline. The CDFI Fund will not respond to requests for acceptance of late

Application submissions after that time period. Applicants must submit late Application submission requests to the CDFI Fund via an AMIS Service Request to the CMF Program with a subject line of “CMF Late Application Submission Request.”

5. Intergovernmental Review: Not Applicable.

6. Funding Restrictions: CMF Awards are limited by the following:

(a) A Recipient shall use CMF Award funds only for the eligible activities set forth in 12 CFR 1807.301 and as described in Section II.C and Section II.E of this NOFA and its Assistance Agreement.

(b) A Recipient may not disburse CMF Award funds to an Affiliate, Subsidiary, or any other entity in any manner that would create a Subrecipient relationship (as defined in the Uniform Administrative Requirements) without the CDFI Fund's prior written approval.

(c) CMF Award dollars shall only be paid to the Recipient.

(d) The CDFI Fund, in its sole discretion, may pay CMF Awards in amounts, or under terms and conditions, which are different from those requested by an Applicant. However, the CDFI Fund will not grant an Award in excess of the amount requested by the Applicant.

(e) With the exception of Depository Institution Holding Company Applicants, CMF Awards may not be used to support the activities of, or otherwise be passed through, transferred, or co-awarded to, third-party entities, whether Affiliates, Subsidiaries, or others, unless done pursuant to a merger or acquisition or similar transaction, and with the CDFI Fund's prior written consent.

V. Application Review Information

A. Criteria: All complete and eligible Applications will be reviewed in accordance with the criteria and procedures described in the CMF Interim Rule, this NOFA, the Application guidance, and the Uniform Administrative Requirements. As part of the review process, the CDFI Fund reserves the right to contact the Applicant by telephone, email, mail, or through an on-site visit for the sole purpose of clarifying or confirming Application information at any point during the review process. The CDFI Fund reserves the right to collect such additional

information from Applicants as it deems appropriate. If contacted, the Applicant must respond within the time period communicated by the CDFI Fund or its Application may be rejected. For the sake of clarity, specific Application evaluation criteria are described in the context of the overall Application review and selection process described in Section V.B. below.

B. Review and Selection Process:

The CDFI Fund will evaluate each complete and eligible Application using the multi-phase review process described in this Section. For the first part of the review process, the External Review, the Applications will be grouped into two categories depending on their Entity Approach: (1) financing entities and (2) affordable housing developers/managers. All Applicants will be able to select the Entity Approach under which they are applying. However, all eligibility requirements described in Table 2, as either a Certified CDFI or Nonprofit Organization, must be met. In most cases, CDFIs will select the financing Entity Approach; however, a CDFI that is applying with a strategy to act as an affordable housing developer/manager, and has a track record as an affordable housing developer/manager, may select the affordable housing developer/manager approach. Separately, those Applicants applying using a Consortium Approach will also indicate that they are applying using the Consortium Approach. The Applications of the two Entity Approach classifications, and those using a Consortium Approach, will be evaluated based on the criteria listed in this section. Where appropriate, the CDFI Fund will use different criteria in order to evaluate the financial health, capacity, portfolio performance, and projected activities of the Applicant based on these distinct approaches. These differences are noted in the following sections and the Application Instructions.

1. *External Review and Quantitative Assessment:* All eligible Applications will be evaluated through a Quantitative Assessment and External Review. The Quantitative Assessment evaluates the Application's quantitative factors and is performed automatically in AMIS. In the External Review, Applications will be separately scored by two or more external non-federal reviewers who are selected based on criteria that include: a professional background in affordable housing

or in community and economic development finance with affordable housing experience. These reviewers must complete the CDFI Fund's conflict of interest process and be approved by the CDFI Fund. Reviewers will be assigned a set number of Applications to review, consisting of either Applicants with a financing Entity Approach, or Applicants with an affordable housing developer/manager approach. The reviewer will provide a score for each of the Applications assessed in accordance with the scoring criteria outlined in Section V.B.2 of this NOFA and the Application materials.

The external reviewer's evaluation, in combination with the quantitative assessment factors, will result in the Application being awarded up to 100 points for each review scorecard. The majority of the score will be based on the external reviewer's evaluation. These points will be distributed across three sections: Business and Leveraging Strategy (40 possible points), Community Impact (35 possible points), and Organizational Capacity (25 possible points). As each Application is evaluated by two external reviewers, the maximum score each Application can receive is 200 points (100 points x 2 Reviewers).

(a) Business and Leveraging Strategy (40 points): In the Business and Leveraging Strategy section, an Applicant will address: (i) the needs of communities and persons in the areas it proposes to serve with a CMF Award and the extent to which the proposed strategy addresses these needs; (ii) the affordable housing, economic development, and financing gaps addressed by its business strategy; (iii) the projected CMF activities and relevant track record; (iv) the role CMF will play in its project financing strategy; (v) its strategy for leveraging private capital with a CMF Award; and (vi) its strategy for leveraging its CMF Award at the Enterprise-level, through reinvestments, and/or at the Project-level (as applicable).

An Applicant will generally score more favorably in the criteria evaluated by the External Review and by the quantitative assessment factors to the extent that it: (i) clearly aligns its proposed CMF Award activities with the affordable housing needs and financing gaps it identifies; (ii) demonstrates that its CMF Award activities will result in more favorable financing

rates and terms for Projects; (iii) demonstrates that its projected activities are achievable based on the Applicant's strategy and track record; (iv) describes a process for selecting projects that have a clear need for CMF financing; (v) has a credible pipeline of projects or can demonstrate clear demand for its proposed financial products from borrowers; (vi) has a clear strategy for and track record of leveraging private capital resulting in a higher multiplier of private leverage; (vii) has a clear strategy for attracting capital and demonstrates a track record of leveraging funds at the Enterprise-level, through reinvestments, and/or at the Project-level (as applicable); and (viii) whether the Application is proposing to serve American Samoa, Guam, the Northern Mariana Islands, or the U.S. Virgin Islands.

(b) *Community Impact (35 points)*: In the Community Impact Section, the Applicant will address: (i) the extent to which the Applicant's strategy is likely to result in the selected Affordable Housing and/or Economic Development Activities impacts and its plan to track relevant outcome metrics; (ii) for rental housing, a) its strategy for and track record of financing and/or supporting rental housing units located in Areas of Economic Distress or High Opportunity Areas; and b) its strategy for and track record of financing rental housing units targeted to Very Low-Income (VLI) Families (50% of AMI or below); (iii) for Homeownership housing, its strategy for and track record of financing Homeownership units targeted to Low-Income (LI) Families (80% of AMI or below) or units located in Areas of Economic Distress targeted to Families with incomes above 80% and no greater than 120% of AMI; (iv) if applicable, its strategy for and track record of financing and/or supporting Economic Development Activities and how the projected activities will align with a Concerted Strategy and will benefit the residents of nearby Affordable Housing; and (v) commitment to and track record of serving Rural Areas.

An Applicant will generally score more favorably in the criteria evaluated by the external reviewer and by the quantitative assessment factors to the extent that it: (i) demonstrates a clear strategy for achieving the selected Affordable Housing and/or Economic Development Activities

impacts identified in the Application and it presents a clear and effective plan to track metrics related to relevant outcomes; (ii) if rental housing is proposed, demonstrates a compelling strategy for and track record of financing and/or supporting rental housing units located in Areas of Economic Distress and/or High Opportunity Areas; (iii) if rental housing is proposed, demonstrates a compelling strategy for and track record of financing and/or supporting rental housing units targeted to Very Low-Income (VLI) Families (50% of AMI or below), with the maximum score available to Applications that propose to target at least 45% of units to Very Low-Income Families; (iv) if Homeownership is proposed, demonstrates a compelling strategy for financing and/or supporting up to 100% of CMF Award to Homeownership units either targeted to Low-Income Families (80% of AMI or below) or Homeownership units targeted to Eligible-Income Families (120% of AMI or below) located in Areas of Economic Distress, with the Applicant's track record supporting their ability to execute this strategy; (v) if proposing Economic Development Activities, demonstrates how its proposed Economic Development Activities fit within a Concerted Strategy and will benefit the residents of the nearby Affordable Housing; and (vi) makes a commitment to invest at least 10% of the CMF Award in Rural Areas and presents a corresponding track record of serving Rural Areas.

(c) Organizational Capacity (25 points): In the Organizational Capacity section, the Applicant will discuss: (i) its management team and key staff; (ii) the roles and responsibilities of those staff in managing the proposed CMF Award; (iii) its past experience managing federal awards; (iv) its financial health; and (v) lending or property portfolio (as applicable).

Applicant(s) will generally score more favorably in the criteria evaluated by the external reviewer and by the quantitative assessment factors to the extent that it demonstrates: (i) strong qualifications of its key personnel with respect to their skills and experience in identifying investments, underwriting or developing similar projects (as applicable), and managing a portfolio of similar activities and ensuring compliance with program requirements; (ii) a strong ability to successfully manage federal awards based on experience managing prior federal

awards or administering state or local government awards, foundation grants, or other programs with complex compliance requirements; (iii) strong financial health, including but not limited to strong capitalization, sound operating performance, and strong liquidity; (iv) favorable audit results (e.g. opinion other than unqualified/unmodified) with no negative findings, including lack of a “going concern paragraph”, lack of repeat findings of reportable conditions, lack of material weaknesses in internal controls, lack of delinquencies on obligations to investors or lenders, and not having filed for bankruptcy or defaulted on financial obligations; and (v) solid portfolio performance (property portfolio or loan/investment portfolio, as applicable). CMF Program encourages first-time Applicants. Prior CMF Recipients will not receive a scoring advantage solely for having received a prior CMF Award.

(d) *Scoring anomaly*: If, in the case of a particular Application, the reviewers’ total External Review scores vary significantly from each other, the CDFI Fund may, in its sole discretion, obtain the evaluation and numeric scoring of an additional reviewer to determine whether the anomalous score should be replaced with the score of the additional reviewer.

2. Internal Review: At the conclusion of the External Review phase, the CMF Program Manager will determine the overall number of Applications that will be initially forwarded for Internal Review. Each group of Applications (financing Entity Approach and affordable housing developer/manager approach) will be ranked separately based on their External Review score. The CMF Program Manager may initially forward an amount up to the highest scoring 50% of Applications from the External Review to the Internal Review, as long as the forwarded Applications reflect, within no more than 5% variance, the proportion of financing Entity Approach Applications to affordable housing developer/manager approach Applications in the overall Application Pool. Such Applications will be forwarded for Internal Review in descending order of External Review score. The forwarded Applications will be drawn from the financing Entity Approach and affordable housing developer/manager approach groups in proportion to each group’s representation in the overall Application pool. This approach will ensure that the

percentage of Applicants with a financing Entity Approach and affordable housing developer/manager approach forwarded to Internal Review reflects the proportion of these entity strategies within the overall Application pool, with no more than 5% variance.

These forwarded Applications will constitute the highly qualified pool. During the Internal Review, CDFI Fund staff will prioritize the Applications in the highly qualified pool for an Award based on the following criteria: (i) final External Review score; (ii) alignment with CMF statutory and policy priorities; (iii) the overall quality of the Applicant's strategy; and (iv) the Applicant's organizational capacity and financial health. The CDFI Fund will not attempt to ensure any specific balance of Applicants with a financing Entity Approach and Applicants with an affordable housing developer/manager approach in the final Award pool.

In assessing the Applicant's organizational capacity, CDFI Fund staff will consider the following factors including, but not limited to, the Applicant's overall organizational and financial capacity, including: (i) its financial strength and ability, and its resources to adapt to changing market conditions and risks; (ii) its organizational strength as demonstrated by good management practices, risk management, and internal controls; (iii) key personnel with relevant experience and capacity; and (iv) relevant experience and capacity demonstrating ability to meet federal award management standards (including performance with prior CDFI Fund awards). The CDFI Fund will also review OMB-designated repositories of government-wide eligibility qualification and financial integrity information, as part of the assessment of organizational capacity. In the case of an Applicant that has received awards from other federal programs, the CDFI Fund reserves the right to contact officials from the appropriate federal agency or agencies to determine whether the Recipient is in compliance with current or prior award agreements, as well as to review the results of any Federal Single Audit, and to take such information into consideration before making a CMF Award.

In assessing the Application's alignment with CMF statutory and policy priorities, CDFI Fund staff will consider the following factors including, but not limited to: (i) the likelihood of the

Applicant to reach a minimum overall leverage multiplier of 10 times the Award amount or more; (ii) the amount of private capital it will leverage relative to the CMF Award; (iii) if rental housing is proposed, the Applicant's approach, track record, and ability to finance/support a significant portion (up to 45%) of its rental housing for Very Low-Income Families; (iv) if rental housing is proposed, the Applicant's approach, track record, and ability to finance/support a significant portion of rental housing located in Areas of Economic Distress (AED) and/or High Opportunity Areas (HOA) as a percentage of its CMF rental portfolio; (v) if Homeownership is proposed, the Applicant's approach, track record, and ability to successfully finance/support up to 100% of its Homeownership units for (a) Families with incomes in excess of 80% but not greater than 120% of Area Median Income (AMI) located in an Area of Economic Distress (AED); or (b) Low-Income Families (80% AMI or below); or (c) a combination of (a) and (b); and (vi) the number of Affordable Housing units expected to be generated as a result of the Award.

In assessing the quality of the Applicant's strategy, the CDFI Fund staff will consider the following factors, including, but not limited to: (i) the effectiveness and cohesiveness of the Applicant's strategy; (ii) how well the proposed financing activities will help close the financing gaps in their market, including more favorable rates and terms than are currently available in its Service Area; (iii) the Applicant's ability to execute its strategy and support its projections; (iv) how adaptable the Applicant's strategy is to changing market conditions; (v) the alignment between the proposed activities and strategy and the selected impacts and outcomes; and (vi) for Applicants proposing Economic Development Activities (EDA), the extent the activities are part of a Concerted Strategy, whether activities will benefit Affordable Housing residents, and the track record and capacity of the Applicant to carry out EDA.

In addition to the criteria outlined above, the Applicant's ability to deploy the CMF Award in a timely manner will be a key determinant in funding recommendation. Deployment considerations may include the Applicant's track record of activities compared with projections,

the Applicant's progress in committing and/or deploying past CMF Awards, and whether the Applicant received a FY 2022 CDFI/NACA Program award for a similar business strategy as the proposed use of the CMF Award. The CDFI Fund may also consider the number of geographies served when determining funding recommendations.

3. Scoring of Applicants Using a Consortium Approach:

Applicants using a Consortium Approach will be evaluated and scored in the following manner:

- (a) Applicants will be evaluated as a Consortium and receive the same score on: (i) strategy; (ii) the needs and financing gaps addressed; (iii) track record; (iv) pipeline; (v) impact and metrics; (vi) geographic targets (Areas of Economic Distress and/or High Opportunity Areas); (vii) income targeting; (viii) key personnel; (ix) adaptability and community partnerships; (x) alignment with priorities; (xi) Project selection process; (xii) serving underserved areas; (xiii) resources to adapt to changing market conditions and risks; and (xiv) deployment capacity.
- (b) Applicants will be evaluated on a prorated basis and receive an individual score on: (i) Eligible Project Costs; (ii) unit production; and (iii) Leveraged Costs.
- (c) Applicants will be evaluated individually and receive an individual score on: (i) previous federal award management; (ii) financial health; (iii) audit findings; (iv) portfolio performance; (v) the likelihood of reaching the minimum leverage multiplier; (vi) organizational strength; (vii) management practices; (viii) the ability to execute the strategy and projected activities; and (ix) commitment to serving Rural Areas. In the event that an Applicant(s) applying using a Consortium Approach does not sufficiently score to reach the highly qualified pool, the CDFI Fund will evaluate the remaining members of the Consortium using the Consortium Approach, provided there are at least two members remaining in the highly qualified pool. If there is only one member of the Consortium remaining in the highly qualified pool, the Applicant will be evaluated on an individual basis.

4. Selection: Once Applications have been internally evaluated and preliminary Award determinations have been made, the Applications will be forwarded to the selecting official(s) for

a final Award determination. After preliminary Award determinations are made, the selecting official(s) will review the list of potential Recipients to determine whether the Recipient pool meets the following statutory objectives:

- (a) The potential Recipients' proposed Service Areas collectively represent broad geographic coverage throughout the United States; and
- (b) The potential Recipients' proposed activities equitably represent both Metropolitan Areas and Rural Areas. For the purposes of the FY 2023 CMF Funding Round, the term Rural Areas is defined per 12 CFR § 1282.1 (Enterprise Duty To Serve Final Rule) as (i) A census tract outside of a Metropolitan Statistical Area as designated by the Office of Management and Budget; or (ii) A census tract in a Metropolitan Statistical Area as designated by the Office of Management and Budget that is outside of the Metropolitan Statistical Area's Urbanized Areas, as designated by the U.S. Department of Agriculture's (USDA) Rural-Urban Commuting Area (RUCA) Code #1, and outside of tracts with a housing density of over 64 housing units per square mile for USDA's RUCA Code #2.

As Rural Areas data for the Enterprise Duty to Serve Rule is not available for American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands; all census tracts in these territories will be deemed as Rural census tracts for Awards issued under this NOFA. The CDFI Fund will publish a dataset indicating which census tracts are designated as Rural Areas for the FY 2023 CMF Funding Round on its website.

In the event the preliminary Recipient pool does not reflect the geographic coverage or representation of Metropolitan and Rural Areas present in the overall Applicant pool, the CDFI Fund reserves the right to modify CMF Award amounts and/or the CMF Recipient pool if deemed necessary to achieve either of these statutory objectives. For the purposes of conducting this analysis, the CDFI Fund will classify Applications as addressing Rural Areas if they propose to use 20% or more of their Award in Rural Areas, and as addressing Metropolitan Areas if they propose to use less than 20% of their Award in Rural Areas.

In order to evaluate the geographic coverage of the potential CMF Recipient pool, Applicants will be asked to designate one of the following two Service Area types in their Applications: Statewide or Multi-State. These Service Area types are further defined in the Application. Applicants planning to serve communities below the state level (cities, municipalities, counties, or regions) and within one state should designate their Service Area as Statewide. Similarly, an Applicant that is planning to serve communities below the state level, but in more than one state, should designate their Service Area as Multi-State. The smallest Service Area an Applicant can request is one state or U.S. territory; the largest Service Area an Applicant can propose is a 15-state Multi-State Service Area. Applicants should indicate in the narrative portions of their Application if they plan to concentrate their CMF activities in a subset (e.g. a county or a Metropolitan Area) of their broader Service Area. If necessary to achieve proportional activity in Rural Areas and/or broader geographic coverage, the CDFI Fund may award Applications not in the preliminary Recipient pool, including Applications outside of the highly qualified pool, in the order of their Internal Review scoring ranking. During the selection process, the CDFI Fund also reserves the right to modify or place restrictions on the Service Area requested in any Application in order to further these statutory objectives. In the case of Applicants using a Consortium Approach, the Service Area designated by each Consortium member in its Application will be combined with the Service Area of the other members as part of the review process. This ensures all members are serving the same areas and that all members are able to invest in all CMF financed/supported projects of the Consortium.

In cases where the selecting official's award determination varies significantly from the initial CMF Award amount recommended by the CDFI Fund staff review, the CMF Award recommendation will be forwarded to a reviewing official for final determination. The CDFI Fund, in its sole discretion, reserves the right to reject an Application and/or adjust CMF Award amounts as appropriate, based on information obtained during the review process.

4. *Insured Depository Institution Applicants:* In the case of Applicants that are Insured Depository Institutions or Insured Credit Unions, the CDFI Fund will consider safety and soundness information from the Appropriate Federal Banking Agency or Appropriate State Agency, as applicable. If the Applicant is a CDFI Depository Institution Holding Company, the CDFI Fund will consider information provided by the Appropriate Federal Banking Agency and Appropriate State Agency about both the CDFI Depository Institution Holding Company and the CDFI Insured Depository Institution that will expend and carry out the Award. If the Appropriate Federal Banking Agency or Appropriate State Agency identifies safety and soundness concerns, the CDFI Fund will assess whether the concerns warrant that the Applicant is incapable of undertaking the activities for which funding has been requested.

5. *Right of Rejection:* The CDFI Fund reserves the right to reject an Application if information (including administrative errors) comes to the attention of the CDFI Fund that adversely affects an Applicant's eligibility for an Award, adversely affects the CDFI Fund's evaluation or scoring of an Application, or indicates fraud or mismanagement on the Applicant's part, including mismanagement of another federal award. If the CDFI Fund determines that any portion of the Application is incorrect in any material respect, the CDFI Fund reserves the right, in its sole discretion, to reject the Application. The CDFI Fund reserves the right to change its eligibility and evaluation criteria and procedures, if the CDFI Fund deems it appropriate. If said changes materially affect the CDFI Fund's Award decisions, the CDFI Fund will provide information regarding the changes through the CDFI Fund's website. There is no right to appeal the CDFI Fund's Award decisions. The CDFI Fund's Award decisions are final.

6. *Anticipated Award Announcement:* The CDFI Fund anticipates making CMF Award announcements in calendar year 2023.

VI. Federal Award Administration Information

A. Award Notification: Each successful Applicant will receive notification from the CDFI Fund stating that its Application has been approved for an Award. Each Applicant not selected for an Award will receive notification and be provided a debriefing document in its AMIS account.

B. Administrative and Policy Requirements Prior to Entering into an Assistance Agreement: The CDFI Fund may, in its discretion and without advance notice to the Recipient, terminate the Award or take other actions as it deems appropriate if, prior to entering into an Assistance Agreement, information (including an administrative error) comes to the CDFI Fund's attention that adversely affects the following: the Recipient's eligibility for an Award; the CDFI Fund's evaluation of the Application; the Recipient's compliance with any requirement listed in the Uniform Requirements; or indications of fraud or mismanagement on the Recipient's part, including mismanagement of another federal award.

If the Recipient's CDFI certification status changes prior to entering into an Assistance Agreement, the CDFI Fund reserves the right, in its sole discretion, to re-evaluate the CMF Award, or modify the Assistance Agreement based on the Recipient's non-CDFI status.

By receiving notification of a CMF Award, the Recipient agrees that, if the CDFI Fund becomes aware of any information (including an administrative error) prior to the Effective Date of the Assistance Agreement that either adversely affects the Recipient's eligibility for an CMF Award, adversely affects the CDFI Fund's evaluation of the Recipient's Application, or indicates fraud or mismanagement on the part of the Recipient, the CDFI Fund may, in its discretion and without advance notice to the Recipient, rescind the notice of award or take other actions as it deems appropriate.

The CDFI Fund reserves the right, in its sole discretion, to rescind an Award if the Recipient fails to return the Assistance Agreement, signed by an Authorized Representative of the Recipient, and/or provide the CDFI Fund with any other requested documentation, within the CDFI Fund's deadlines.

In addition, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the Assistance Agreement and the Award made under this NOFA for any criteria described in Table 7:

Table 7-Requirements Prior to Executing an Assistance Agreement	
Requirement	Criteria
Failure to meet reporting requirements	<ul style="list-style-type: none"> • If an Applicant received a prior award or allocation under any CDFI Fund program and is not current on the reporting requirements set forth in the previously executed assistance, award, allocation, bond loan agreement(s), or agreement to guarantee, as of the date of the notice of award, the CDFI Fund reserves the right, in its sole discretion, to delay entering into an Assistance Agreement and/or to delay making a Payment of CMF Award, until said prior Recipient or allocatee is current on the reporting requirements in the previously executed assistance, award, allocation, bond loan agreement(s), or agreement to guarantee. • If such a prior Recipient or allocatee is unable to meet this requirement within the timeframe set by the CDFI Fund, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA. • Please note that automated systems employed by the CDFI Fund for receipt of reports submitted electronically typically acknowledge only a report's receipt; such acknowledgment does not warrant that the report received was complete, nor that it met reporting requirements. If said prior Recipient or allocatee is unable to meet this requirement within the timeframe set by the CDFI Fund, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.
Failure to maintain CDFI Certification (if applicable) or eligible Nonprofit Organization status (if applicable)	<ul style="list-style-type: none"> • A Recipient must be a Certified CDFI or an eligible Nonprofit Organization, as each is defined in the CMF Interim Rule and this NOFA, prior to entering into an Assistance Agreement. • If, at any time prior to entering into an Assistance Agreement under this NOFA, an Applicant that is a Certified CDFI has submitted reports that demonstrate noncompliance with the requirements for certification to the CDFI Fund, failed to submit an annual certification report as instructed by the CDFI Fund, or demonstrates noncompliance with the requirements for certification through other information obtained by the CDFI Fund, but the CDFI Fund has yet to make a final determination regarding whether or not the entity is Certified, the CDFI Fund reserves the right, in its sole discretion, to delay entering into an Assistance Agreement and/or to delay making a Payment of CMF Award, pending full resolution, in the sole determination of the CDFI Fund, of

	<p>the noncompliance.</p> <ul style="list-style-type: none"> • If the Applicant is unable to meet this requirement, in the sole determination of the CDFI Fund, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.
Pending resolution of default or noncompliance	<ul style="list-style-type: none"> • The CDFI Fund will delay entering into an Assistance Agreement with a Recipient that has pending default or noncompliance issues with any of its previously executed CDFI Fund award(s), allocation(s), bond loan agreement(s), or agreement(s) to guarantee. • If said prior Recipient or allocatee is unable satisfactorily resolve the compliance issues, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.
Default or Noncompliance status	<ul style="list-style-type: none"> • If, at any time prior to entering into an Assistance Agreement, the CDFI Fund determines that an Applicant (or an Affiliate of the Applicant) that is a prior CDFI Fund Recipient or allocatee under any CDFI Fund program is noncompliant or found in default with any previously executed award agreement(s), assistance agreement(s), allocation agreement(s), bond loan agreement(s), or agreement(s) to guarantee) and the CDFI Fund has provided written notification that the Applicant is ineligible to apply for or receive any future awards or allocations for a time period specified by the CDFI Fund in writing, the CDFI Fund may, in its sole discretion, delay entering into an Assistance Agreement with Applicant until the Recipient has cured the default or noncompliance by taking actions the CDFI Fund has specified in writing within such specified timeframe. If the Recipient is unable to cure the default or noncompliance within the specified timeframe, the CDFI Fund may modify or rescind all or a portion of the CMF Award made under this NOFA.
Compliance with federal civil rights requirements	<ul style="list-style-type: none"> • If, within the period starting three years prior to this NOFA and through the date of the Assistance Agreement, the Recipient received a final determination, in any proceeding instituted against the Recipient in, by, or before any court, governmental, or administrative body or agency, declaring that the Recipient violated any federal civil rights laws or regulations, including: Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and the Age Discrimination Act of 1975, (42 U.S.C. 6101–6107), the CDFI Fund may terminate and rescind the Assistance Agreement and the Award made under this NOFA.

Debarment/Do Not Pay	<ul style="list-style-type: none"> • The Do Not Pay Business Center was developed to support federal agencies in their efforts to reduce the number of improper payments made through programs funded by the federal government. The Do Not Pay Business Center provides delinquency information to the CDFI Fund to assist with the debarment check. • The CDFI Fund reserves the right, in its sole discretion, to rescind an Award if the Recipient (or Affiliate of Recipient) is identified as being delinquent on any federal debt in the Do Not Pay database.
Safety and soundness	<ul style="list-style-type: none"> • If it is determined that the Recipient is or will be incapable of meeting its CMF Award obligations, the CDFI Fund will deem the Recipient to be ineligible or require it to improve safety and soundness conditions prior to entering into an Assistance Agreement.

C. Assistance Agreement: Each Applicant that is selected to receive an Award under this NOFA must enter into an Assistance Agreement with the CDFI Fund in order to become a Recipient and receive Payment. Each CMF Award under this NOFA generally will have a period of performance that begins with the announcement date of the Award and continues until the end of the period of affordability, as set forth at 12 CFR 1807.401(d) and 12 CFR 1807.402, and as further set forth in the Assistance Agreement.

1. The Assistance Agreement will set forth certain required terms and conditions of the CMF Award, which will include, but not be limited to:

- (a) The amount of the Award;
- (b) The approved uses of the Award;
- (c) The approved Service Area in which the Award may be used. Applicants selected for a CMF Award will be allowed to use up to 15% of the Award amount outside of their approved Service Area at their discretion. Moreover, they will be able to reinvest Program Income from the CMF Award anywhere in the United States, including the U.S. territories.
- (d) Performance goals and measures;
- (e) Reinvestment requirements for Program Income; and
- (f) Reporting requirements for all Recipients.

2. Prior to executing the Assistance Agreement, the CDFI Fund may, in its discretion, allow Recipients to request changes to the Service Area of the Award and certain performance goals and measures. The CDFI Fund, in its sole determination, may approve or reject these requested changes or propose other modifications, including a reduction in the Award amount. The CDFI Fund will only approve performance goals and measures or Service Area changes if it determines that such requested changes do not undermine the competitive process upon which the CMF Award determination was made. The CDFI Fund may also, in its discretion, provide Recipients the opportunity to add states to their Service Area in order to serve states not already covered in the Award pool and to further HERA's goal that the CMF serve geographically diverse areas of every state. The CDFI Fund may also, in its discretion, provide Recipients the opportunity to add states to its approved Service Area in order to serve geographies for which: (i) the President issued a "major disaster declaration," and (ii) the major disaster declaration makes such geographies eligible for both "individual and public assistance." The major disaster declaration must be made after the publication date of this NOFA and prior to the execution of the Recipient's Assistance Agreement. In these cases, the CDFI Fund may allow a Recipient to exceed the maximum 15 state Service Area, if applicable. Any modifications agreed upon prior to the execution of the Assistance Agreement will become a condition of the Award. Recipients may utilize up to 15% of their Award to undertake Activities outside of their Service Area at their discretion.

3. The Assistance Agreement shall provide that, prior to any determination by the CDFI Fund that a Recipient has failed to comply substantially with the Act, the CMF Interim Rule, or the environmental quality regulations, the CDFI Fund shall provide the Recipient with reasonable notice and opportunity to be heard. If the Recipient fails to comply substantially with the Assistance Agreement, the CDFI Fund may:

- (a) Require changes in the performance goals set forth in the Assistance Agreement;
- (b) Reduce or terminate the CMF Award; or

(c) Require repayment of any CMF Award that has been distributed to the Recipient.

4. The Assistance Agreement shall also provide that, if the CDFI Fund determines noncompliance with the terms and conditions of the Assistance Agreement on the part of the Recipient, the CDFI Fund may:

(a) Bar the Recipient from reapplying for any assistance from the CDFI Fund; or

(b) Take such other actions as the CDFI Fund deems appropriate or as set forth in the Assistance Agreement.

5. In addition to entering into an Assistance Agreement, each Applicant selected to receive a CMF Award must furnish to the CDFI Fund a certificate of good standing from the jurisdiction in which it was formed. The CDFI Fund may, in its sole discretion or in lieu of a certificate of good standing, also require the Applicant to furnish an opinion from its legal counsel, the content of which may be further specified in the Assistance Agreement, and which, among other matters, opines that:

(a) The Recipient is duly formed and in good standing in the jurisdiction in which it was formed and the jurisdiction(s) in which it transacts business;

(b) The Recipient has the authority to enter into the Assistance Agreement and undertake the activities that are specified therein;

(c) The Recipient has no pending or threatened litigation that would materially affect its ability to enter into and carry out the activities specified in the Assistance Agreement;

(d) The Recipient is not in default of its articles of incorporation or formation, bylaws or operating agreements, other organizational or establishing documents, or any agreements with the federal government;

(e) The CMF affordability restrictions that are required to be imposed by deed restrictions, covenants running with the land, or other CDFI Fund approved mechanisms are recordable and enforceable under the laws of the State and locality where the Recipient will undertake its CMF activities;

(f) If applicable, the Recipient is exempt from federal income taxation pursuant to the Internal Revenue Code of 1986; and

(g) If applicable, the Recipient is designated as a nonprofit or not for profit entity under the laws of the organization's State of formation.

As a condition of closing on the Assistance Agreement, the CDFI Fund will require a CMF Recipient Consortium Member Agreement to specify the binding commitments of each member awarded under a Consortium Approach.

6. Closing and Payment of the Award: Pursuant to the Assistance Agreement, there will be an initial closing at which point the Assistance Agreement and related documents will be properly executed and delivered, and a Payment of the CMF Award is made. Recipients of CMF Awards will have the option to choose Payment of the Award in a Lump Sum Payment or, in two payments, an Initial Payment and Subsequent Payment, each no more than one year apart, as set forth in the Assistance Agreement. If the Applicant elects to receive the Award in two Payments, they must specify an Initial Payment amount in the Application. The CDFI Fund reserves the right to adjust the Initial Payment amount based on the total Award amount so that no payment is less than \$500,000. For example, if awarded \$950,000 and the Initial Payment amount requested in the Application was \$500,000, per the rule above, the CDFI Fund would disburse a single \$950,000 Lump Sum Payment to the Recipient, pursuant to the Assistance Agreement.

The Payment option election will affect the required date of Commitment of the Award, but will not affect or change any other performance goal(s) or requirement(s) set forth in the Assistance Agreement, including the requirement that all Projects must achieve Project Completion within five years of the Effective Date of the Assistance Agreement. The Lump Sum Payment⁴ or Initial Payment⁵ must be committed for use two years after the Effective Date of the Assistance Agreement. The Subsequent Payment⁶ must be committed three years after the Effective Date of the Assistance Agreement.

Following the initial closing of the Assistance Agreement, for those Recipients who opted for and qualify for two Payments, there will be a subsequent closing involving the additional Award payment. In addition to the Assistance Agreement, any documentation that is related to the subsequent closing and payment shall be properly executed and delivered in a timely manner by the Recipient to the CDFI Fund.

D. Paperwork Reduction Act: Under the Paperwork Reduction Act (44 U.S.C. chapter 35), an agency may not conduct or sponsor a collection of information, and an individual is not required to respond to a collection of information, unless it displays a valid OMB control number. If applicable, the CDFI Fund may inform Applicants that they do not need to provide certain Application information otherwise required. Pursuant to the Paperwork Reduction Act, the Capital Magnet Fund Application has been assigned the following control number: 1559-0036.

E. Reporting: The CDFI Fund will require each Recipient that receives a CMF Award through this NOFA to account for and report to the CDFI Fund on the use of the CMF Award. This will require Recipients to establish administrative controls, subject to the UAR and other applicable OMB guidance. The CDFI Fund will collect information from each such Recipient on its use of the CMF Award annually, following Payment, and more often if deemed appropriate by the CDFI Fund in its sole discretion. The CDFI Fund will provide guidance to Recipients outlining the format and content of the information required to be provided to describe how the Award funds were used.

⁴“Lump Sum Payment” shall mean one single payment which comprises the entire CMF Award.

⁵“Initial Payment” shall mean the first Payment from the CDFI Fund to the Recipient at Closing.

⁶“Subsequent Payment” shall mean a second Payment representing the balance of the CMF Award in the case where a Recipient exercises its option to receive the CMF Award in two Payments.

The CDFI Fund may collect information from each Recipient including, but not limited to, an annual report with the components listed in Table 8:

Table 8-Reporting Requirements*	
Criteria	Description

Single Audit (if applicable)	A non-profit Recipient must complete an annual Single Audit pursuant to the Uniform Requirements (2 CFR 200.501) if it expends \$750,000 or more in federal awards in its fiscal year, or such other dollar threshold established by OMB pursuant to 2 CFR 200.501. If a Single Audit is required, it must be submitted electronically to the Federal Audit Clearinghouse (FAC) (see 2 CFR Subpart F-Audit Requirements in the Uniform Requirements) and optionally through AMIS.
Financial Statement Audit	For-profit and nonprofit Recipients must submit a Financial Statement Audit (FSA) report in AMIS, along with the Recipient's statement of financial condition audited or reviewed by an independent certified public accountant.
Performance Report	<p>The Recipient must submit a performance report not less than annually, which is a progress report on the Recipient's use of the CMF Award towards meeting its performance goals, Affordable Housing outcomes, and the Recipient's overall performance. The CMF Performance Report covers the Announcement Date through the Investment Period for the CMF Award and the ten-year Affordability Period for each Project. The Investment Period shall mean the period beginning with the Effective Date of the Assistance Agreement and ending no earlier than the fifth year anniversary of the Effective Date, or as otherwise established in the Assistance Agreement. The Affordability Period shall mean, for each Project, the period beginning on the date when the Project is placed into service and consisting of the full ten consecutive years thereafter, or as otherwise established in the Assistance Agreement.</p> <p>If the Recipient fails to meet a performance goal or reporting requirements, it must submit an explanation of noncompliance via AMIS.</p>
Environmental Review	The Recipient shall submit the Environmental Review Notification Report each time the Recipient identifies a new proposed CMF Project for which (i) a categorical exclusion does not apply and/or (ii) the Recipient determines that the proposed Project does involve actions that normally require an Environmental Impact Statement, as described in 12 CFR part 1815. The Environmental Review Notification Report must be submitted to the CDFI Fund no later than one hundred eighty (180) days prior to the date that the funds are Committed to a Project.

* Personally Identifiable Information (PII) is information, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual. Although Applicants are required to enter addresses of homes and other properties in AMIS, Applicants

should not include the following PII for the individuals who received the financial products or services in AMIS or in the supporting documentation (i.e. name of the individual, Social Security Number, driver's license or state identification number, passport number, Alien Registration Number, etc.). **This information should be redacted from all supporting documentation (if applicable).**

Each Recipient is responsible for the timely and complete submission of the annual reporting documents. The CDFI Fund will use such information to monitor each Recipient's compliance with the requirements set forth in the Assistance Agreement and to assess the impact of the CMF Award. The CDFI Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after notice to Recipients.

F. Financial Management and Accounting: The CDFI Fund will require Recipients to maintain financial management and accounting systems that comply with federal statutes, regulations, and the terms and conditions of the CMF Award. These systems must be sufficient to permit the preparation of reports required by general and program specific terms and conditions, including the tracing of funds to a level of expenditures adequate to establish that such funds have been used in accordance with the federal statutes, regulations, and the terms and conditions of the CMF Award.

The cost principles used by Recipients must be consistent with federal cost principles, must support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the CMF Award. In addition, the CDFI Fund will require Recipients to: maintain effective internal controls; comply with applicable statutes and regulations, the Assistance Agreement, and related guidance; evaluate and monitor compliance; take action when not in compliance; and safeguard personally identifiable information.

VII. Agency Contacts

A. Availability: The CDFI Fund will respond to questions and provide support concerning this NOFA and the Application between the hours of 9:00 a.m. and 5:00 p.m. ET, starting on the date of the publication of this NOFA until the close of business on the second business day preceding the Application deadline. The CDFI Fund will not respond to questions or provide support

concerning the Application that are received after 5:00 p.m. ET on said date, until after the Application deadline. CDFI Fund IT support will be available until 5:00 p.m. ET on date of the Application deadline. Applications and other information regarding the CDFI Fund and its programs may be obtained from the CDFI Fund’s website at <http://www.cdfifund.gov/cmf>. The CDFI Fund will post on its website responses to questions of general applicability regarding the CMF.

B. The CDFI Fund’s Contact Information is Listed in Table 9:

Table 9-Contact Information			
Type of Question	Preferred Method	Telephone number (not toll free)	Email addresses
CMF Program and Application Questions	Submit a Service Request in AMIS	202-653-0421	cmf@cdfi.treas.gov
CDFI Certification	Submit a Service Request in AMIS	202-653-0423	ccme@cdfi.treas.gov
Compliance Monitoring and Evaluation	Submit a Service Request in AMIS	202-653-0423	ccme@cdfi.treas.gov
Information Technology Support	Submit a Service Request in AMIS	202-653-0422	AMIS@cdfi.treas.gov

The preferred method of contact is to submit a Service Request within AMIS. For a CMF Application question, select “Capital Magnet Fund” for the program. For a CDFI Certification question, select “Certification.” For a Compliance question, select “Compliance & Reporting.” For Information Technology, select “Technical Issues.” Failure to select the appropriate program for the Service Request could result in delays in responding to your question.

C. Communication with the CDFI Fund: The CDFI Fund will use AMIS to communicate with Applicants and Recipients, using the contact information maintained in their respective AMIS accounts. Therefore, the Recipient and any Subsidiaries, signatories, and Affiliates must maintain accurate contact information (including contact persons and Authorized Representatives, email addresses, fax numbers, phone numbers, and office addresses) in its AMIS account(s). For more information about AMIS please see the Help documents posted at <https://amis.cdfifund.gov/s/Training>.

D. Civil Rights and Diversity: Any person who is eligible to receive benefits or services from the CDFI Fund or Recipients under any of its programs is entitled to those benefits or services without being subject to prohibited discrimination. The Department of the Treasury's Office of Civil Rights and Equal Employment Opportunity enforces various federal statutes and regulations that prohibit discrimination in financially assisted and conducted programs and activities of the CDFI Fund. If a person believes that s/he has been subjected to discrimination and/or reprisal because of membership in a protected group, s/he may file a complaint with: Director, Office of Civil Rights and Equal Employment Opportunity, 1500 Pennsylvania Ave, NW, Washington, DC 20220 or (202) 622-1160 (not a toll-free number).

E. Statutory and National Policy Requirements: The CDFI Fund will manage and administer the federal award in a manner so as to ensure that federal funding is expended and associated programs are implemented in full accordance with the U.S. Constitution, Federal Law, and public policy requirements, including, but not limited to: those protecting free speech, religious liberty, public welfare, and the environment; and those prohibiting discrimination.

VIII. Other Information

The CMF regulations are set forth in 12 C.F.R. Part 1807. 12 C.F.R. §1807.105 provides the CDFI Fund the ability to waive any part of the regulations for good cause: "The CDFI Fund may waive any requirement of this part that is not required by law upon a determination of good cause. Each such waiver shall be in writing and supported by a statement of the facts and the grounds forming the basis of the waiver. For a waiver in an individual case, the CDFI Fund must determine that application of the requirement to be waived would adversely affect the achievement of the purposes of the Act. For waivers of general applicability, the CDFI Fund will publish notification of granted waivers in the Federal Register." Pursuant to this requirement, the CDFI Fund is publishing notification in this NOFA that it hereby waives the requirements set forth in 12 C.F.R. §1807.401(f) for all CMF Recipients who used their CMF Awards to finance or support rental housing Projects with an Affordability Period covering the dates of April 1,

2020 through December 31, 2021. Thus, if a CMF Recipient's Affordability Period covers the timeframe of April 1, 2020 through December 31, 2021, the requirement to verify the tenant's income annually in such timeframe is hereby waived.

A. Statement of Facts: The CMF Interim Rule requires CMF Recipients to annually re-examine tenant income. 12 C.F.R. §1807.401(f) requires that each year during the period of affordability, the tenant's income must be re-examined. The tenant income examination and verification is ultimately the responsibility of the CMF Recipient. Annual income includes income from all household members. CMF Recipients must require the Project owner to obtain information on rents and occupancy of Affordable Housing financed or assisted with a CMF Award in order to demonstrate compliance with 12 C.F.R. §1807.401(f). On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.*, in response to the ongoing COVID-19 pandemic. On February 18, 2022, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the President continued the national emergency declared in Proclamation 994 concerning COVID-19 pandemic to be in effect beyond March 1, 2022. On January 31, 2020, Secretary of Health and Human Services issued a determination that as a result of the confirmed cases of 2019 Novel Coronavirus, a public health emergency exists and has existed since January 27, 2020, nationwide ("HHS Determination"). On October 13, 2022, the HHS Determination was renewed to state that a public health emergency exists and has existed since January 27, 2020, nationwide, due to the continued consequences of COVID-19. In response, several federal agencies issued notices announcing certain statutory suspensions and regulatory waivers to alleviate the burden on program participants and stakeholders affected by the COVID-19 pandemic.

B. Grounds for Waiver: The CDFI Fund determined that Recipients experienced difficulty in carrying out annual tenant income recertification during the COVID-19 pandemic. Further, other federal agencies provided temporary relief from federal program criteria similar to those required

by CMF Recipients. To illustrate, the Internal Revenue Service issued Notice 2021-12 granting relief for owners of low-income buildings from the requirement to perform income re-certifications under 26 C.F.R. §1.42-5(c)(1)(iii) from April 1, 2020, to September 30, 2021. Similarly, the U.S. Department of Housing and Urban Development issued a memorandum on September 27, 2021, updating its memorandum, *Revision, Extension and Update of April 2020 Memorandum Availability of Waivers and Suspensions of the HOME Program Requirements in Response to COVID-19 Pandemic* issued on December 4, 2020, extending the waiver to perform onsite inspections of HOME-assisted rental housing and annual re-inspections of units assisted with HOME Tenant-Based Rental Assistance from September 30, 2021, to December 31, 2021. The CDFI Fund has determined that to provide relief to CMF Recipients during the height of the COVID-19 pandemic, and to align CMF regulatory requirements with other federal programs, temporary relief related to annual tenant income determination for this period is warranted. For the above stated reasons, the CDFI Fund is issuing a general waiver herein of 12 C.F.R. §1807.401(f) in cases where the CMF Award Recipient did not undertake or complete annual tenant income examination and verification during the period of affordability for the applicable dates in response to the COVID-19 pandemic. This is to provide maximum administrative flexibility and better assist low-and very low-income households as they deal with the effects of the COVID-19 pandemic. This waiver extends relief for the period beginning April 1, 2020, and ending December 31, 2021. As of January 1, 2022, the CMF Award Recipient shall have recommenced tenant income re-certification on an annual basis in compliance with 12 C.F.R. §1807.401(f).

Authority: Pub. L. 110-289. 12 U.S.C. 4701, 12 CFR part 1805, 12 CFR part 1807, 12 CFR part 1815, 12 U.S.C. 4502.

Jodie L. Harris,

Director, Community Development Financial Institutions Fund.

